



February 25, 2026

Drew Gonshorowski
Director, Division of Medicaid and Long-Term Care
Department of Health and Human Services
PO Box 95026
Lincoln, NE 68509-5026

RE: Title 477, NAC 29 – Heritage Health Adult (HHA) Program

Dear Director Gonshorowski,

Our organizations represent thousands of patients and their families facing serious and chronic health conditions in the state of Nebraska and are committed to ensuring that the Medicaid program provides adequate, affordable and accessible health care coverage. **We write to express our deep concerns with the early implementation of work reporting requirements and the proposed regulation Title 477, NAC 29 – Heritage Health Adult (HHA) Program.**

The implementation of Public Law 119-21 (HR 1), including burdensome work reporting requirements, is estimated to result in approximately [40,000 Nebraskans](#) losing Medicaid coverage. The effort to expedite implementation of work reporting requirements could adversely affect Nebraskans undergoing treatment for serious illnesses. The federal government will not establish full guidance on the policies the Department of Health and Human Services (DHHS) is seeking to adopt until months after the fact. The draft regulation references federal standards (such as those pertaining to medical frailty) that should be fully fleshed out and understood before the state attempts to use them to judge the eligibility of Nebraskans for Medicaid coverage. For this and other reasons, rushing implementation increases the chances of administrative errors that lead people to inappropriately lose coverage.

For people with chronic health conditions, continuous coverage is essential. **Failing to navigate these burdensome administrative requirements could have serious – even life or death – consequences for people with serious, acute and chronic diseases.** People who are in the middle of treatment for a life-threatening disease, rely on regular visits with healthcare providers

or must take daily medications to manage their chronic conditions, cannot afford a sudden gap in their care.

Administering these requirements will also be expensive for the state of Nebraska. In Georgia, the state spent over \$86 million within a year of implementing its work requirement, and it is estimated that three-quarters of this was for administrative and consulting costs.ⁱ Moreover, the federal government has not yet issued guidelines for many key aspects of work reporting requirement implementation, meaning that the state may need to change regulations and other key implementation decisions if it moves too quickly.

We also question the premise of DHHS that work requirements need to be adopted quickly to give Medicaid enrollees a sense of purpose and to help them become more active members of their communities. Medicaid's primary purpose is to provide health care coverage for individuals meeting certain eligibility criteria. To the extent that HR 1 has added a workforce development component to Medicaid's stated purposes, most people enrolled in Medicaid expansion coverage are already engaged in the kinds of activities DHHS says it wishes to promote. More than 90 percent of Medicaid expansion enrollees are currently working, studying, providing supportive care, or are ill or disabled.ⁱⁱ When it comes to preventing the unintended loss of HHA coverage, there is little to be gained and much to be lost by rushing this draft regulation through.

Thirty-nine patient advocacy organizations have released [principles](#) urging states to carefully consider the needs of patients and families throughout the implementation of HR 1, including broadly defining health-related exemptions for patients and caregivers and minimizing red tape. However, the proposed regulations leave many key terms undefined and do not include details on documentation requirements that will have a critical impact on the people we represent and their ability to maintain coverage.

The undersigned organizations, in the interest of the health of Nebraskans receiving Medicaid coverage for serious health conditions, urge you not to finalize any regulations that will add to the administrative burden and risk of inappropriate coverage loss for the people we represent. We remain committed to working with the Department of Health and Human Services to protect access to Medicaid for individuals with serious and chronic illnesses in the implementation of work reporting requirements and other elements of HR 1.

Sincerely,

AiArthritis
American Cancer Society Cancer Action Network
American Diabetes Association
American Kidney Fund
American Lung Association
Arthritis Foundation
Crohn's & Colitis Foundation
Diabetes Patient Advocacy Coalition
Epilepsy Foundation of America
Immune Deficiency Foundation
Lupus Foundation of America
National Bleeding Disorders Foundation
National Kidney Foundation

National Multiple Sclerosis Society
National Organization for Rare Disorders
Susan G. Komen
The AIDS Institute
ZERO Prostate Cancer

ⁱ Coker, Margaret. "Georgia Touts its Medicaid Experiment as a Success. The Numbers Tell a Different Story." ProPublica. February 19, 2025. Available at: <https://www.propublica.org/article/georgia-medicaid-work-requirement-pathways-to-coverage-hurdles>

ⁱⁱ Tolbert, Jennifer et al. "Understanding the Intersection of Medicaid and Work: An Update." KFF. May 30, 2025. Available at: <https://www.kff.org/medicaid/understanding-the-intersection-of-medicaid-and-work-an-update/>